REMARKS

Applicants request favorable reconsideration and allowance of the present application in view of the foregoing amendments and the following remarks.

Claims 1, 2, 4-16, and 19-33 are pending in the present application. Claims 1, 13, 16, 27, 29, 30, 32, and 33 are the independent claims. Claims 3, 17 and 18 have been canceled without prejudice.

Claims 1, 13, 16, 27, 29, 30, 32 and 33 have been amended. Applicants submit that support for these amendments can be found in the original disclosure. Therefore, no new matter has been added.

The Abstract was objected to as being too lengthy. A new Abstract has been presented which is shorter. Favorable consideration and withdrawal of the objection are requested.

Claims 1-33 were rejected under 35 U.S.C. §112, first paragraph, as allegedly failing to comply with the written description requirement for failing to contain an essential element that the Examiner deems necessary to carry out and practice the invention. The Examiner asserted that the critical elements of embedding, manipulating, and extracting electronic watermarks are critical or essential to the practice of the invention. It is unclear whether the Examiner is asserting that all of those features are necessary in each of the claims, but to the extent that the Examiner is taking that position, Applicants respectfully traverse this rejection. As is clear from the Summary of the Invention in the subject specification, various aspects of the disclosed invention relate to separate features such as embedding information as an electronic watermark or extracting information embedded as an electronic watermark. Accordingly, Applicants submit that one skilled in the art would

not read the specification to require that all the steps of embedding, manipulating, and

extracting electronic watermarks are necessary to each claimed invention.

The independent claims have been amended, however, to clarify that the

additional information recited in the claims to be added or extracted is added as an

electronic watermark. Thus, Applicants submit that the amended claims clearly set forth

that the claimed invention pertains to the use of electronic watermarks. For these reasons,

Applicants request favorable reconsideration and withdrawal of the Section 112 rejection.

For the foregoing reasons, Applicants submit that this application is in

condition for allowance. Favorable reconsideration, withdrawal of the outstanding

objection and rejection, and an early Notice of Allowance are requested.

Applicants' undersigned attorney may be reached in our Washington, DC

office by telephone at (202) 530-1010. All correspondence should continue to be directed

to our below-listed address.

Respectfully submitted,

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